

RECORDATION NO.

5565-N  
FILED

AUG 20 '04

1-35 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)  
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OF COUNSEL  
URBAN A. LESTER

August 17, 2004

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Re: PRR - C100

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of a Memorandum of Sublease and Assignment, dated August 12, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board/Commission under Recordation Number 5565-L.

The names and addresses of the parties to the enclosed document are:

Sublessor/ Assignor:	Consolidated Rail Corporation 1000 Howard Boulevard Fourth Floor Mt. Laurel, NJ 08054
Sublessee:	PRR Newco, Inc. 110 Franklin Road, S.E. Roanoke, VA 24042
Guarantor:	Norfolk Southern Railway Company 110 Franklin Road, S.E. Roanoke, VA 24042
[Senior Lessor/ Assignee:	Residual Based Finance Corporation]

Mr. Vernon A. Williams  
August 17, 2004  
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A description of the railroad equipment covered by the enclosed document is:

200 railcars bearing CR reporting marks and road numbers set forth on Schedule B to the Memorandum.

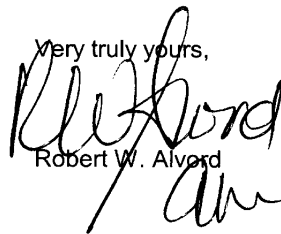
A short summary of the document to appear in the index follows:

Memorandum of Sublease and Assignment

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'R. Alvord', with a large, stylized flourish extending from the bottom right.

Robert W. Alvord

RWA/anm  
Enclosures

RECORDATION NO. 5565-N FILED

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**SURFACE TRANSPORTATION BOARD**

MEMORANDUM OF SUBLEASE AND ASSIGNMENT PRR-C100, by

CONSOLIDATED RAIL CORPORATION ("Conrail")  
1000 Howard Boulevard, Fourth Floor  
Mt. Laurel, New Jersey 08054

PRR NEWCO, INC. (the "Company")  
110 Franklin Road, S.E.  
Roanoke, Virginia 24042

and

NORFOLK SOUTHERN RAILWAY COMPANY (the "Railroad")  
110 Franklin Road, S.E.  
Roanoke, Virginia 24042

Conrail is acquiring certain units of railroad equipment pursuant to the agreement identified in Schedule A hereto as the "Senior Lease" with the party named in Schedule A hereto as the "Senior Lessor," which agreement was recorded with the Surface Transportation Board and assigned the recordation number shown on said Schedule A.

The parties hereto hereby wish to evidence for the public record the following transactions with respect to such units of the railroad equipment covered by the above-named agreements as are listed in Schedule B hereto:

1. The Sublease of Railroad Equipment PRR-C100 between Conrail, sublessor, and the Company, sublessee.
2. The assumption of the obligations of the Company as sublessee under the above-named sublease by the Railroad, pursuant to the Assumption Agreement PRR-C100 by the Railroad in favor of Conrail.
3. The assignment by Conrail, assignor, of the sublease named in item 1 to the Senior Lessor, assignee, as security for Conrail's obligations under the Senior Lease, pursuant to the Assignment of Sublease PRR-C100 by Conrail in favor of the Senior Lessor.
4. The assignment by the Railroad, assignor, of its subleasehold interest under sublease named in item 1 to CSX Transportation, Inc., assignee, pursuant to the Cross-Assignment of Lease and Agreement among such parties and Conrail, as security for the Railroad's obligations for reimbursement thereunder.

IN WITNESS WHEREOF, the parties hereto have each caused  
this memorandum to be duly executed by their respective officers  
thereunto duly authorized:

CONSOLIDATED RAIL CORPORATION

by *Joseph R. ...*

PRR NEWCO, INC

by *William J. R. ...*

NORFOLK SOUTHERN RAILWAY COMPANY

by *William J. R. ...*

STATE OF NEW YORK )  
 ) SS.:  
COUNTY OF NEW YORK )

On this 22 day of August, 2004, before me personally appeared Sylvia Marquez, to me personally known, who, by me being duly sworn, says that he is CEO & President of CONSOLIDATED RAIL CORPORATION, and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

SYLVIA MARQUEZ  
NOTARY PUBLIC, State of New York  
No. 01MA4972068  
Qualified in New York County  
Commission Expires Sept. 17, 2006

Notary Public

My commission expires

STATE OF NEW YORK )  
 ) SS.:  
COUNTY OF NEW YORK )

On this 12 day of August, 2004, before me personally appeared William J. Romig, to me personally known, who, by me being duly sworn, says that he is Vice President and Treasurer of PRR NEWCO, INC., and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

John F. Norwell  
Notary Public

JOHN F. NORWELL  
Notary Public, State of New York  
No. 01NO6062376  
Qualified in New York County  
Commission Expires Aug. 6, 2005

My commission expires

STATE OF NEW YORK )  
 ) SS.:  
COUNTY OF NEW YORK )

On this 12 day of August, 2004, before me personally appeared William J. Romig, to me personally known, who, by me being duly sworn, says that he is Vice President and Treasurer of NORFOLK SOUTHERN RAILWAY COMPANY, and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

John F. Norwell  
Notary Public

JOHN F. NORWELL  
Notary Public, State of New York  
No. 01NO6062376  
Qualified in New York County  
Commission Expires Aug. 6, 2005

My commission expires

SCHEDULE A  
SENIOR TRANSACTION C100

**Senior Lease:**

Conditional Sale Agreement dated as of February 25, 2000, and supplements thereto, as amended, between Consolidated Rail Corporation and Residual Based Finance Corporation.

Recorded with the Surface Transportation Board on December 10, 2003, and assigned recordation number 5565-L.

**Senior Lessor:**

Residual Based Finance Corporation

*Schedule "B" Equipment*  
C100(PRR)

Count	CarInt	CarNum	Count	CarInt	CarNum	Count	CarInt	CarNum
Group A			Group A			Group C		
100 TON GONDOLAS			100 TON GONDOLAS			100 TON FLAT CARS		
1	CR	584701	44	CR	584789	10	CR	627625
2	CR	584702	45	CR	608091	11	CR	627626
3	CR	584704	46	CR	608137	12	CR	627627
4	CR	584706	47	CR	608447	13	CR	627629
5	CR	584707	48	CR	609034	14	CR	627632
6	CR	584708	49	CR	609043	15	CR	627635
7	CR	584709	50	DH	014529	16	CR	627636
8	CR	584710	51	DH	014557	17	CR	627638
9	CR	584715	52	DH	014588	18	CR	627639
10	CR	584717	53	DH	014512	19	CR	627642
11	CR	584718	53 100 TON GONDOLAS			20	CR	627643
12	CR	584719				21	CR	627644
13	CR	584723	Count	CarInt	CarNum	22	CR	627646
14	CR	584724	Group B			23	CR	627648
15	CR	584726	100 TON GONDOLAS			24	CR	627651
16	CR	584728	1	CR	579765	25	CR	627652
17	CR	584729	2	CR	585258	26	CR	627653
18	CR	584730	3	CR	609003	27	CR	627656
19	CR	584734	4	CR	609010	28	CR	627657
20	CR	584735	5	CR	609011	29	CR	627658
21	CR	584737	6	CR	609014	30	CR	627661
22	CR	584741	7	CR	609016	31	CR	627662
23	CR	584742	8	CR	609018	32	CR	627664
24	CR	584747	9	CR	609029	33	CR	627666
25	CR	584748	10	CR	609035	34	CR	627667
26	CR	584753	11	CR	609036	35	CR	627668
27	CR	584754	12	CR	609038	36	CR	627669
28	CR	584757	13	CR	609039	37	CR	627672
29	CR	584758	14	CR	609041	38	CR	627673
30	CR	584759	14 100 TON GONDOLAS			39	CR	627674
31	CR	584762				40	CR	627675
32	CR	584767	Count	CarInt	CarNum	41	CR	627677
33	CR	584768	Group C			42	CR	627681
34	CR	584772	100 TON FLAT CARS			43	CR	627683
35	CR	584776	1	CR	627602	44	CR	627685
36	CR	584777	2	CR	627603	45	CR	627686
37	CR	584778	3	CR	627604	46	CR	627691
38	CR	584779	4	CR	627605	47	CR	627695
39	CR	584780	5	CR	627607	48	CR	627696
40	CR	584785	6	CR	627611	49	CR	627697
41	CR	584786	7	CR	627614	50	CR	627699
42	CR	584787	8	CR	627616	51	CR	627700
43	CR	584788	9	CR	627619	52	CR	627701

Count	CarInt	CarNum	COUNT	CarInt	CarNum
Group C			Group D		
100 TON FLAT CARS			100 TON BOX CARS		
54	CR	627703	23	CR	295636
55	CR	627707	24	CR	295642
56	CR	627708	25	CR	295643
57	CR	627709	26	CR	295646
58	CR	627710	27	CR	295648
59	CR	627714	28	CR	295650
60	CR	627715	29	CR	295652
61	CR	627716	30	CR	295655
62	CR	627717	31	CR	295658
63	CR	627718	32	CR	295660
64	CR	627723	33	CR	295661
65	CR	627724	34	CR	295662
66	CR	627726	35	CR	295663
67	CR	627727	36	CR	295664
68	CR	627728	37	CR	295666
69	CR	627729	38	CR	295670
70	CR	627731	39	CR	295671
71	CR	627732	40	CR	295695
72	CR	627733	41	CR	295696
73	CR	627734	42	CR	295697
			43	CR	295699
73 100 TON FLAT CARS			44	CR	295701
			45	CR	295702
COUNT	CarInt	CarNum	46	CR	295704
Group D			47	CR	295705
100 TON BOX CARS			48	CR	295709
1	CR	240931	49	CR	295711
2	CR	241004	50	CR	295717
3	CR	241016	51	CR	295723
4	CR	241017	52	CR	295725
5	CR	241020	52 100 TON BOX CARS		
6	CR	241030	COUNT	CarInt	CarNum
7	CR	241031	Group E		
8	CR	241036	70 TON BOX CARS		
9	CR	241040	1	CR	244127
10	CR	241044	2	CR	244129
11	CR	241046	3	CR	244131
12	CR	241049	4	CR	244132
13	CR	241052	5	CR	244133
14	CR	241055	6	CR	244135
15	CR	241056	7	CR	244136
16	CR	241058	8	CR	295614
17	CR	241063	8 70 TON BOX CARS		
18	CR	241064			
19	CR	241065			
20	CR	295623			
21	CR	295631			